Department of Defense Purchase Card Program

ORIENTATION BRIEFING

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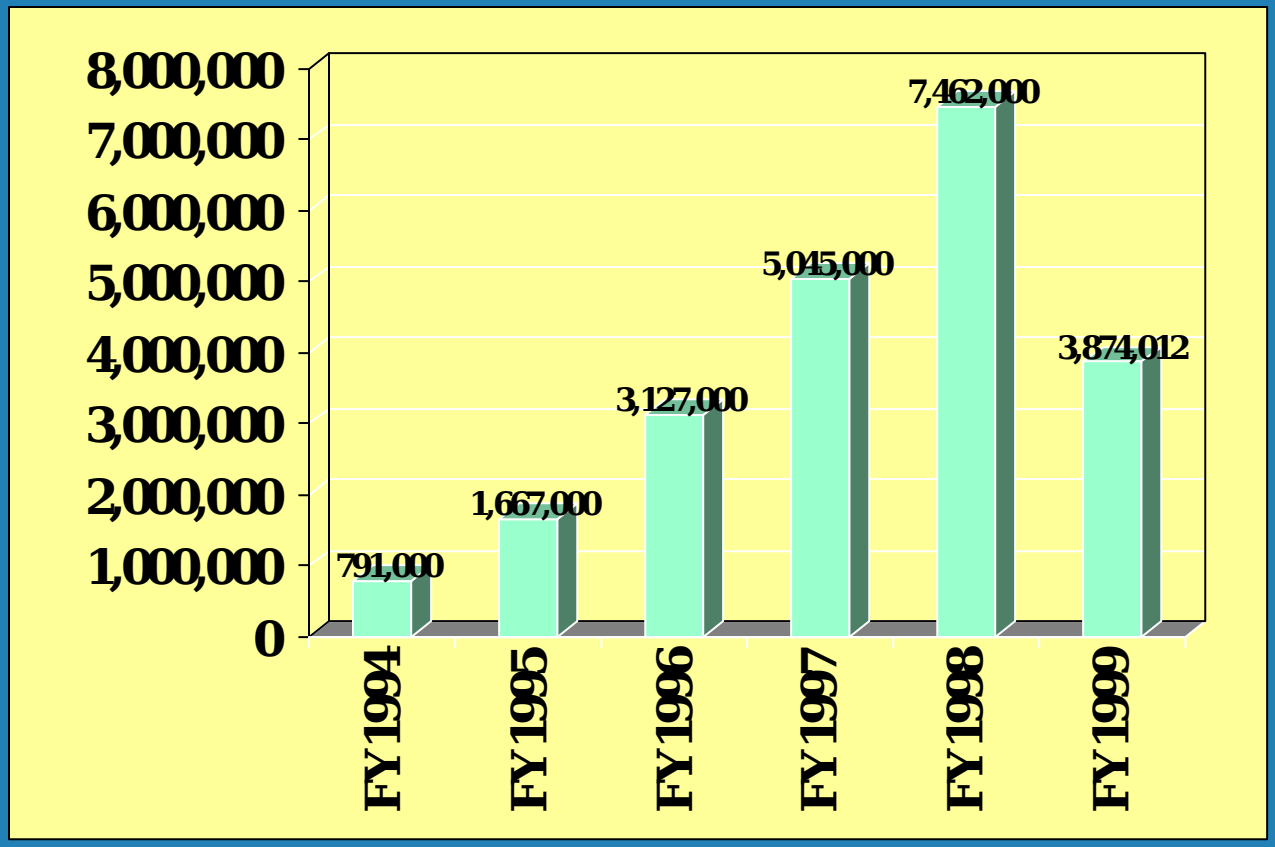
Topics

- Historical Performance
- Program Expansion Efforts
- Legislative Efforts
- Program Direction
- PC Concept of Operations

Total Card Actions (Historical)



$1.8B

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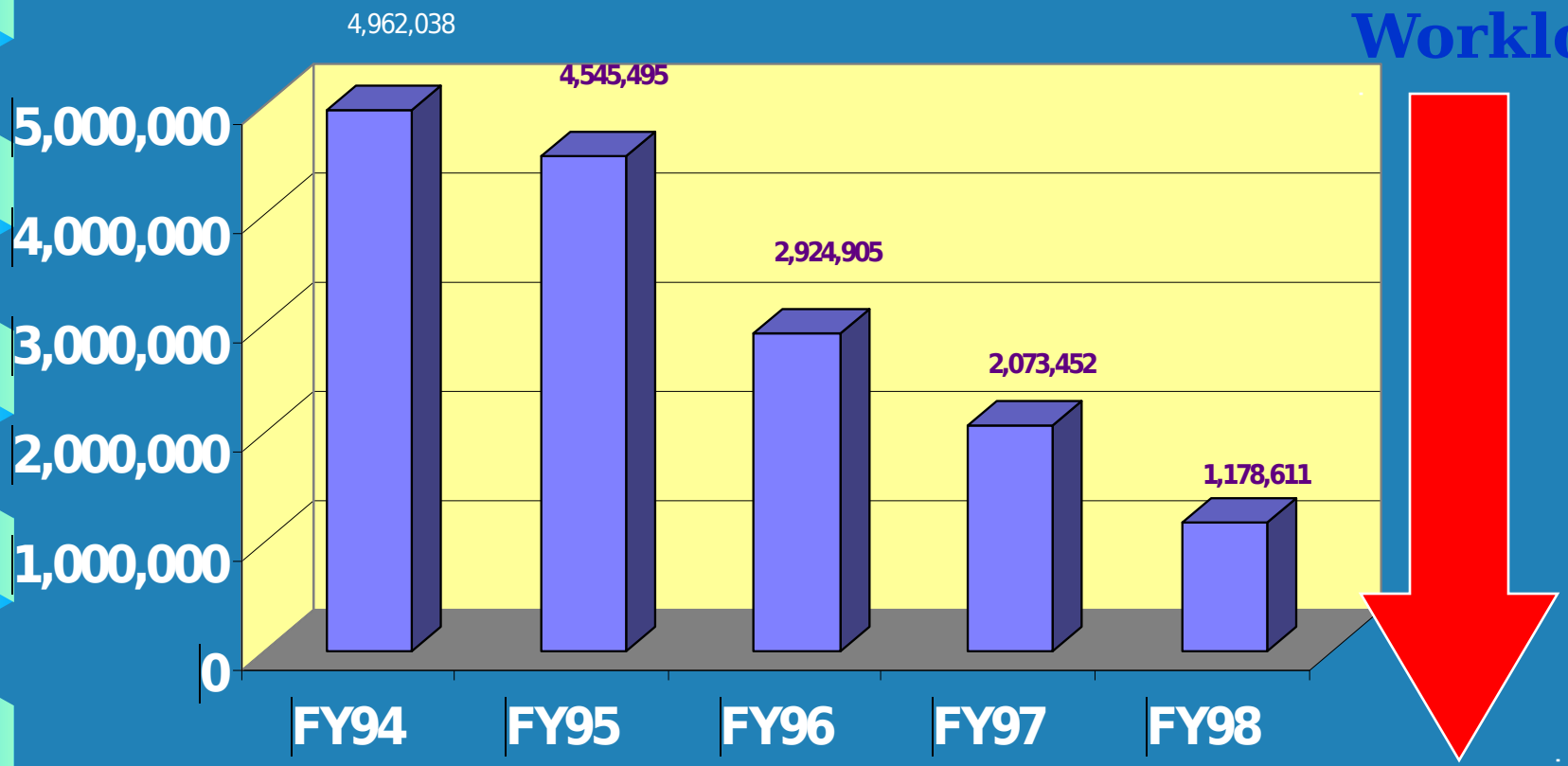
Purchase Orders and BPA Calls ($2,500 and less)



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DOD Task Order Requirements

- Web-Based Electronic Access system
  - Allows electronic review of captured transactions
  - Allows automatic distribution of accounting codes to
  - Allows
  - Ab
  - No

EDI Key to Additional Savings

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DOD Task Order Status

- Banks Delinquent on Delivery of Web-Based Electronic Access System
  - CO Issued Notices of Delinquency
  - GSA/DOD Certification Tests Required
  - DepSecDef/Bank/PCPMO Meetings
  - Weekly Briefings by Bank VPs
- Limited Access to Banks' Electronic Access Systems (EAS)
  - Use Paper/Fax/Phone/Desktop Applications
  - Continue Field Tests of Banks' EAS
  - Withhold CH/BO Access Until APC Functionality Satisfactory

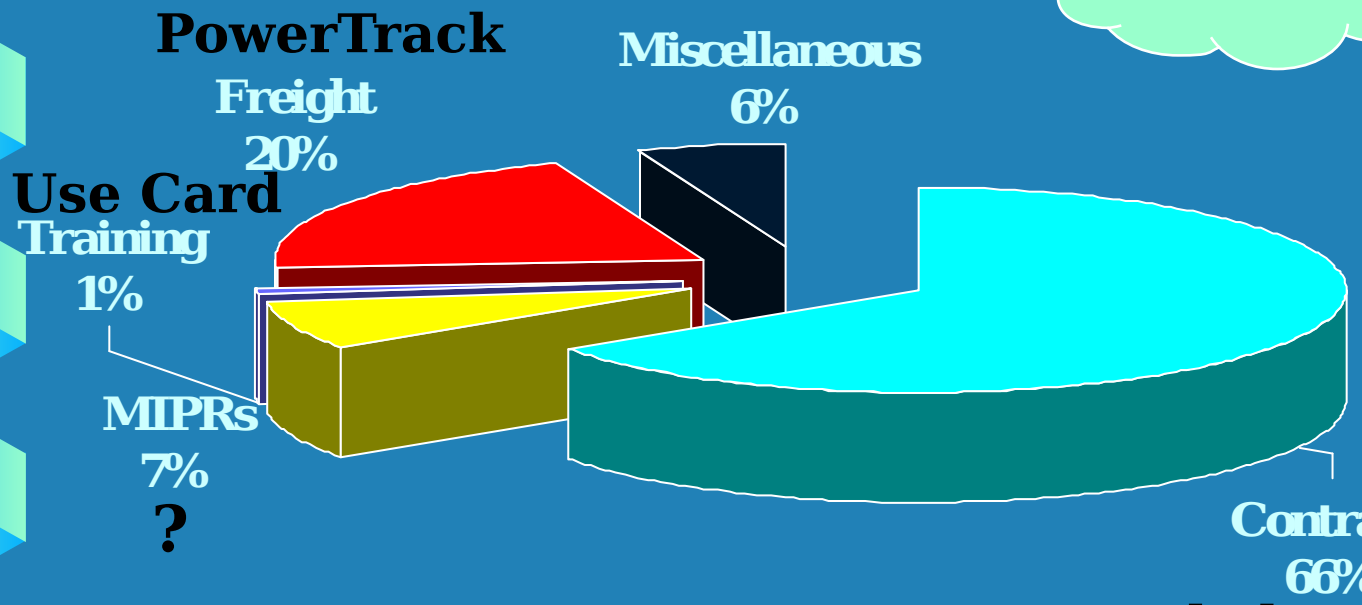
Program Expansion Efforts

Deputy Secretary of Defense Memorandum 20 July 1998

- Expand Card Use to All Business Areas
- Policy Implementation by USD(C), USD(P&R) and USD(A&T)
- Some Measure of Progress Required by 1 Oct 1998

Card Potential
(what it could have been)

13.7 Million



Expanded to orders and c
against existing contrac

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Legislative Efforts

- Reform initiative on Hill defeated
  - Raise threshold to $10,000
  - Labor and Small Business communities expressed concerns
- Re-evaluate in 12 Months
  - Need to collect Small Business statistics to support
  - Need to assess benefits

Program Direction

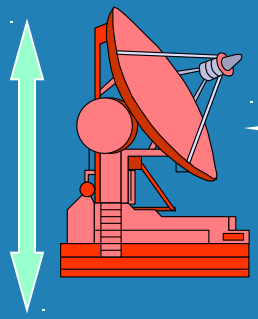
- Continue emphasis on micro-purchases
  - delivery orders/calls
- Re-evaluate existing card practices
  - refine/streamline - "*manage, not avoid risk*"
  - Operation Mongoose
  - *MAXIMIZE USE OF EDI*
- Support functional growth of card
  - training, transportation, etc.
- Emphasize use as payment/ordering tool
  - support E Mall/paperless efforts

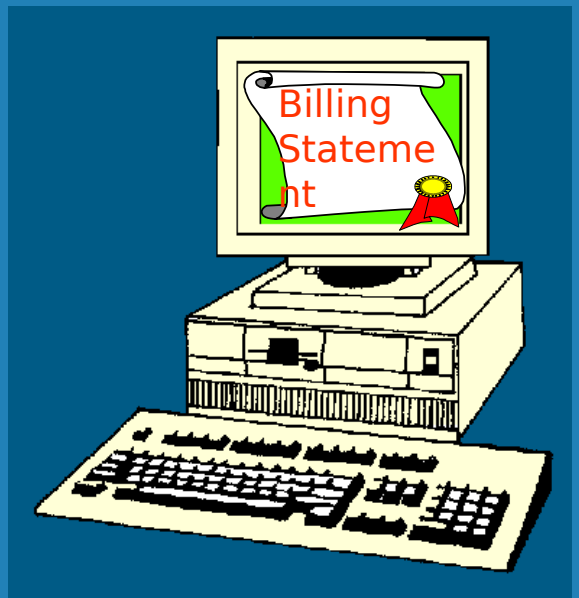
Maximize Use of EDI

- Banks to DOD
  - Posting transactions as obligations in Component Accounting Systems (ANSI X12.821 4010)
  - Posting of Invoice/Disbursement in Component Payment Systems (ANSI X12.810 4010)
- DOD to Banks
  - Electronic Funds Transfer (ANSI X12 4010)

Also ANSI X12 Acknowledgement & Rejection Notices

Post Cycle Obligation &Invoice





OBLIGATION
INVOICE

Default &
Reallocated LOAs

Default &
Reallocated LOAs

Visit us at

http://purchasecard.sarda.army.mil

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